

**GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA**

STARRED QUESTION NO:259

ANSWERED ON:07.03.2003

PAYMENT OF ARREARS TO SUGARCANE FARMERS

SHRINWAS DADASAHEB PATIL;SUBODH ROY

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

- (a) whether the sugar mills in public, private and co-operative sectors have not cleared the arrears payable to sugarcane farmers in several States of the country;
- (b) if so, the total amount due to farmers in each State;
- (c) the time by which the arrears are required to be paid to the sugarcane farmers;
- (d) the steps taken by the Government to pacify the agitating farmers in these States;
- (e) whether the sugar mills have recently stopped purchasing the sugarcane from the farmers;
- (f) if so, the details thereof; and
- (g) the remedial measures taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD YADAV)

(a) to (g): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (g) OF STARRED QUESTION NO.259 DUE FOR ANSWER ON 07-03-2003 IN THE LOK SABHA.

(a) to (g): The available information showing the cane price arrears, State-wise, upto the year 2001-2002 and for the current crushing season viz. 2002-2003 is enclosed at Annexures I & II respectively. As per Clause 3 (3A) of the Sugarcane (Control) Order, 1966, issued by the Central Government under the Essential Commodities Act, 1955, it is obligatory on the part of all sugarmills to pay the price of sugarcane to growers within 14 days from the date of delivery of the cane. The responsibility for ensuring timely payment of cane price dues rests with the State Governments, who have the necessary powers/field organizations in this behalf.

2. The following measures have been taken to facilitate the payment of the cane price dues of the farmers:-

(i) A Buffer stock of 20 lakh tonnes of sugar has been created for a period of one year so as to enable the sugar mills to receive a subsidy amount of Rs. 412 crores from the Sugar Development Fund. In addition, about Rs. 374 crores would be available from the Banks to the mills on account of the Buffer Stock. Thus, a total amount of Rs. 786 crores would be provided to the mills for clearing the payment of cane price dues to the growers,

(ii) The sugar factories have been extended relief by way of permitting them to sell equivalent quantity of unlifted levy sugar stocks as non-levy sugar in the open market. So far, a quantity of about 240534.4 M.Ts of unlifted levy sugar stocks pertaining to various seasons, has been permitted to be sold as non-levy sugar in the open market,

(iii) Advance releases of non-levy sugar have been made to certain sugar mills to enable them to clear the cane price dues of the farmers and to reduce their stocks. During the season 2001-2002, a quantity of 402830.5 M.Ts has been so released,

(iv) The quantitative ceiling on exports of sugar has been removed and the Sugar Development Fund (SDF) Act, 1982 and the SDF Rules, 1983 amended, enabling reimbursement of the internal transport and neutralization of ocean freight disadvantage on export shipments of sugar.

3. No report relating to refusal to purchase sugarcane (by the sugar mills from the farmers) has so far been received by the Ministry.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (g) OF STARRED QUESTION NO. 259 DUE FOR ANSWER ON 07-03-2003 IN THE LOK SABHA.

STATE-WISE CANE PRICE ARREARS POSITION UPTO 2001-2002 SUGAR SEASON.

(Rs. in crores)

Sl.No. State Arrears upto 2001-2002 sugar season As on

1.	Uttar Pradesh	85.79	25.02.03
2.	Punjab	65.47	31.01.03
3.	Gujarat	1.40	31.01.03
4.	Karnataka	52.71	31.01.03
5.	Uttaranchal	7.35	31.01.03
6.	Bihar	42.32	31.01.03
7	Tamil Nadu	7.32	31.01.03
8.	Haryana	16.03	31.01.03
9.	Andhra Pradesh	1.96	31.01.03
10.	Maharashtra	47.83	31.01.03
11.	Orissa	4.06	31.01.03
12.	Madhya Pradesh	6.03	31.01.03
13.	Pondicherry	0.14	31.01.03
14.	Assam	0.14	31.01.03
15.	West Bengal	0.01	31.01.03
16.	Rajasthan	1.18	31.01.03
17.	Goa	31.01.03	
18.	Kerala	1.28	31.01.03

Total 341.02

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (g) OF STARRED QUESTION NO. 259 DUE FOR ANSWER ON 07-03-2003 IN THE LOK SABHA.

STATEMENT SHOWING THE STATEWISE / ZONEWISE POSITION OF CANE PRICE PAYABLE, PRICE PAID AND BALANCE OUTSTANDING FOR CANE PURCHASED DURING 2002-2003 SEASON (AS ON 31-12-02).

(Rs. in crores)

STATE/ZONE TOTAL PRICE PAYABLE CANE PRICE PAID BALANCE CANE PRICE
FOR CANE PURCHASED UPTO 31-12-02 PAYABLE AS ON 31-12-02
DURING 2002-2003
UPTO 31-12-02

PUNJAB	172.45	50.07	122.38
HARYANA	45.25	1.66	43.59
RAJASTHAN	0.00	0.00	0.00
WEST UP	101.25	80.69	20.56
CENTRAL UP	57.09	25.74	31.35
EAST UP	32.05	24.76	7.29
TOTAL UP	190.39	131.19	59.20
UTTARANCHAL	3.56	0.00	3.56
MADHYA PRADESH	10.96	10.96	0.00
SOUTH GUJARAT	200.17	161.65	38.52
SAURASHTRA	5.24	2.29	2.95

TOTAL GUJARAT	205.41	163.94	41.47
SOUTH MAHARASHTRA	321.89	285.22	36.67
NORTH MAHARASHTRA	155.63	108.48	47.16
CENT-MAHARASHTRA	210.53	165.29	45.24
TOTAL MAHARASHTRA	688.05	558.98	129.07
NORTH BIHAR	1.00	0.00	1.00
SOUTH BIHAR	0.00	0.00	0.00
TOTAL BIHAR	1.00	0.00	1.00
ASSAM	0.00	0.00	0.00
ANDHRA PRADESH	222.02	99.09	122.93
KARNATAKA	384.95	154.13	230.82
TAMIL NADU	182.54	74.89	107.65
KERALA	1.77	0.00	1.77
ORISSA	4.88	2.40	2.48
WEST BENGAL	2.49	0.00	2.49
NAGALAND	0.00	0.00	0.00
PONDICHERRY	0.32	0.00	0.32
GOA	2.93	2.08	0.85

ALL INDIA TOTAL	2118.97	1249.39	869.58
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